

REQUEST FOR FUNDING RFF 2016-09

Establishment, Development or Improvement of Non-Profit Community Rehabilitation Programs

Response Due Date: October 24, 2016

I. INTRODUCTION

This Request for Funding (RFF) requests responses from approved Vocational Rehabilitation (VR) Employment service providers, that have a demonstrated need to enter into establishment projects in order to increase staff capacity and training for the purpose of increasing the quality of services and competitive, integrated employment outcomes to VR applicants or eligible individuals. The Bureau of Rehabilitation Services (BRS) anticipates awarding establishment project funding to any qualified VR employment service provider who has a demonstrated need and can meet the requirements outlined in this RFF. Establishment project contracts are expected to begin in March, 2017 and will be for a maximum period of 4 years.

II. SCOPE OF WORK

BRS implemented major revisions to VR employment services in June, 2015, moving from a structured, milestone-based system to a hybrid approach that blends outcome based payments with buildable hourly services and supports, based on the individualized needs of consumers. These revisions have also resulted in increased expectations for Community Rehabilitation Programs (CRPs) in carrying out employment services, including Supported Employment services and Discovery activities. With these changes, BRS has recognized a need to increase the capacity of CRPs in regards to staffing as well as foundational skills training, with the overall objective of improving the quality of employment services, including supported employment services for individuals with the most significant disabilities.

The Rehabilitation Act of 1973, as amended and 34 CFR 361.49(a)(1) authorizes the use of VR funds to establish, develop or improve CRPs that provide VR services that promote integration and competitive employment to VR applicants or eligible individuals. The VR services provided through establishment projects must be delivered only to VR applicants or individuals who have been determined eligible to receive VR services. Allowable VR services provided through establishment projects are defined in detail in the VR Manual of Employment Services located at <http://www.in.gov/fssa/ddrs/4976.htm>

BRS is planning to enter into establishment projects with non-profit CRPs¹ who have a VR employment services provider agreement, as of July 2016. The purpose of the establishment projects is to increase capacity for the provision of employment services. Employment services include Discovery services, job readiness training, outcome-based employment services, supported employment services, on-the-job supports short-term, and job search/job placement assistance. Service definitions and requirements for each of these services is outlined in the VR Manual of Employment Services². Specific allowable costs are limited to costs of staffing to increase capacity to carry out employment services to VR applicants or eligible individuals, and costs to improve and expand training for employment services staff. Additional detail is provided for both staffing and training components below:

1. Staffing:

Staffing is an allowable establishment project cost, if it is necessary to improve a CRP and increase a CRP's capacity to provide VR employment services, including supported employment services, to applicants or eligible individuals. In its response to this RFF, a CRP must explain the need to build staffing capacity, specifically as it relates to improving the provision and quality of employment services to VR consumers, including supported employment to individuals with the most significant disabilities.

Allowable staffing costs include staff salaries and fringe benefits for both direct service staff (i.e. employment consultants, job coaches), and supervisory staff who directly supervise employment services staff. Staffing costs must be associated with the provision of employment services as outlined in the VR Manual of Employment Services. Since the purpose of the Establishment projects is to increase staff capacity, reimbursable staffing costs may only include staffing costs that result from increasing staff capacity (i.e. hiring new staff, expanding staff roles, increasing staff from part-time to full-time, and related) as outlined in the CRPs proposed strategies for building staff capacity to meet the objectives outlined in the scope of work (see Section IV. Item number 3). Travel, equipment, supplies, utilities, leasing, and other administrative costs may not be paid with funding from Establishment Projects.

If necessary to establish, develop or improve a CRP to serve applicants or eligible individuals, funding for staffing is permitted for a maximum period of four (4) years, with financial participation available at the applicable matching rate for the appropriate levels of staffing costs as outlined in **Table 1**. The CRP must provide the

¹ *Establishment, development, or improvement of a public or nonprofit community rehabilitation program 361.5(b)17*

² <http://www.in.gov/fssa/ddrs/4976.htm>

non-federal match of 21.3% outlined in the ‘Percent of Total Staff Costs Available for Federal and Match Funds’ column. These funds will be deposited into a designated state VR account at intervals determined by the state (i.e. quarterly, annually). The ‘Additional CRP Share (not available to match)’ column outlines the percentage of staffing costs that are not available to be matched.

Table 1. Staffing Cost Participation

| | Percent of Total Staff Costs Available for Federal and Match Funds* | Additional CRP Share (not available to match) |
|---------------|--|--|
| Year 1 | 100% (78.7% VR/ 21.3% CRP share) | 0% |
| Year 2 | 75% (78.7% VR/ 21.3% CRP share) | 25% |
| Year 3 | 60% (78.7% VR/ 21.3% CRP share) | 40% |
| Year 4 | 45% (78.7% VR/ 21.3% CRP share) | 55% |

**The Federal share of funds is 78.7%. Non-federal match share, provided by CRP, is 21.3%. The 21.3% non-federal share must be deposited into a designated state VR account.*

Table 2 provides a staffing cost participation example, using a total staffing cost of \$100,000 annually, to further illustrate the CRP funding responsibility and the VR funding responsibility. Please note that the CRP portion of the staffing costs increases each year as outlined in the column ‘Total CRP Staffing Cost,’ as the percent of staffing costs available to be matched decreases each year (100% in year 1, 75% in year 2, 60% in year 3, and 45% in year 4). Of the portion of staffing costs available at the match ratio, the CRP is responsible for 21.3% of costs, which must be met with non-federal match funds and be deposited into a designated state VR account at intervals to be determined by the State (i.e. quarterly, annually).

Table 2. *EXAMPLE* Staffing Cost Participation with Staffing costs = \$100,000

| | Percent of Total Staff Costs Available for Federal and Match Funds* | Additional CRP Share (NOT available to match) | Total CRP staffing cost |
|---------------|--|--|--------------------------------|
| Year 1 | \$100,000 (\$78,700 VR/ \$21,300 CRP) | \$0 | \$21,300 |
| Year 2 | \$75,000 (\$59,025 VR/ \$15,975 CRP) | \$25,000 | \$40,975 |
| Year 3 | \$60,000 (\$47,220 VR/ \$12,780 CRP) | \$40,000 | \$52,780 |
| Year 4 | \$45,000 (\$35,415 VR/ \$9,585 CRP) | \$55,000 | \$64,585 |

2. Training:

Development or expansion of CRP training necessary to increase its effectiveness in providing VR employment services, including supported employment, to applicants or eligible individuals is an allowable establishment project cost.

Allowable training costs include training fees, certifications, travel costs associated with training, training materials, curriculum development, and other related costs, for both direct service staff (i.e. employment consultants, job coaches), and supervisory staff who directly supervise employment services staff. Training costs must be associated with improving the provision of employment services as outlined in the VR Manual of Employment Services, and in line with the CRPs proposed training strategies to achieve the specific, measurable objectives outlined in this RFF.

Training shall be person-centered and strength-based, and focus on individuals with disabilities' employable strengths. Training must align with a philosophy that individuals with disabilities can obtain competitive integrated employment with the right supports and services. The training must assist employment service staff to develop foundational competencies in, at minimum, the following areas:

- Discovery (e.g., job shadows, situational assessments, informational interviews, etc.);
- Identification of appropriate employment goals;
- Identification of appropriate job coaching techniques and supports for the job-seeker (i.e., teaching strategies, assistive technology, job supports, worksite assessment, etc.)
- Job development and job placement;
- Supported employment;
- Identification and development of natural supports; and
- Other identified needs and best practices.

Training shall include classroom-based training, as well as hands-on training. Training strategies should include the development or expansion of an internal CRP training program that builds on other established trainings funded by VR, such as the Employment Specialist Training (EST) offered by Indiana University and the Intensive 3-day workshops offered by Hands In Autism starting October, 2016, or other similar trainings. Training strategies through establishment projects must develop and enhance internal CRP training programs to, at minimum, ensure staff appropriately apply learned supports and techniques with ongoing coaching and mentoring of CRP staff. Please refer to **Objective 1** below for additional details regarding BRS' expectations for training.

For Training costs, the CRP is responsible for providing the non-federal match share of 21.3% for each year of the Establishment project, for a maximum period of four years.

Measureable Objectives:

As outlined in the Scope of Work, establishment projects are available to address a need to increase CRP staff capacity and training, with the objective of improving VR employment services and competitive, integrated employment outcomes for VR consumers. BRS will establish specific, measurable objectives to evaluate the impact on VR employment services and competitive, integrated outcomes. BRS will seek CRP feedback on specific measures; however for purposes of this RFF, CRPs should consider the following measurable objectives in their response.

- 1) CRP will develop and submit a staff training plan within four (4) months of contract execution for all employment services staff (newly hired staff, seasoned staff, supervisory staff and others as applicable), that includes, at minimum, the following:
 - Training on foundational skills including, at minimum, the provision of supported employment services, purposeful discovery activities, and additional areas outlined above (minimum twenty-five (25) hours of foundational skills training during first year of hire, and ten (10) hours annually thereafter for all employment services staff carrying out VR employment services). Training must include ‘hands-on’ and other applied practice training strategies;
 - Training on developing high quality employment support and retention plans, discovery profiles, and job readiness training plans;
 - Training on job placement strategies for individuals, including those with the most significant disabilities, customized employment, appropriate employer engagement and etiquette while providing on-site supports, accommodations, and related;
 - Development or enhancement of CRPs internal coaching and mentoring model to provide necessary technical assistance to staff in order to ensure the fidelity of the trainings; and
 - Specific details regarding how training will occur and who will provide the training.
- 2) Services are initiated within ten (10) business days of receipt of initial referral from VR by end of year 1.
- 3) Increased provision of supported employment services or on-the-job supports short-term, including at least a 30% increase in the number of individuals receiving supported employment or on-the-job supports short-term by end of year 2; or a 30% increase in the amount or duration of supported employment or on-the-job supports short-term that consumers receive by end of year 2.

- 4) Overall increase in the quality and quantity of competitive, integrated employment outcomes, for individuals receiving employment services, including those with the most significant disabilities, by end of year 2.

Specific objectives are subject to change and BRS will seek feedback on specific measures from awarded CRPs. Contractors will be required to submit applicable data and other necessary information to BRS in order for the state to assess progress toward meeting objectives, including baseline measures during the first quarter of the contract. Additionally, BRS will closely monitor contractors to ensure compliance with federal law by reviewing the source of match and reviewing activities and expenses to verify that only allowable activities are reimbursed.

There is no cap on an individual CRP award amount, however BRS may establish a cap if the total dollars requested exceed federal funds budgeted for this initiative. BRS anticipates that up to \$20-\$25 million in federal funds will be made available during the four (4) year Establishment project budget period (\$5-\$9 million annually). The budget for establishment projects is subject to change and will be re-evaluated annually as necessary. BRS anticipates that most contract awards will range from \$50,000 to \$200,000 in year one (1), with funding in years two (2), three (3), and four (4) declining in accordance with the federally-established funding levels outlined in **Table 1**. CRPs may request funding at levels less than \$50,000 or greater than \$200,000. The funding amount requested should correspond to the identified staffing and training strategies needed to increase capacity as outlined in the response, and the response should include adequate justification for the level of funding requested.

III. TERM

The services requested in this RFF are expected to last for up to a two (2) year period, with a two (2) year renewal period. This timeframe is subject to change. Contractors who fail to meet objectives in years 1-2 of the contract will be required to demonstrate corrective action prior to the contract being renewed for years 3-4.

IV. RESPONSE FORMAT AND ATTACHMENTS

CRPs should submit responses to the RFF describing how they will meet the specific requirements of this RFF and the detailed scope and deliverables included within. The questions below must be individually addressed, with responses to each item corresponding to the item number. Responses must not exceed 10 pages, not including attachments.

1. CRP must provide verification that the Agency, or at minimum, the employment services unit within the agency, meets the definition of a non-profit CRP.
2. CRP must verify that the non-federal match requirement can be met, corresponding to the requested funds in the cost proposal, as well as, the funding levels outlined in **Table 1**. The CRP must identify the source of match funds, and verify that the source of the match funds is non-federal and that the non-federal match funds are not used to match any other federal grant. Awarded CRPs will also be required to verify the source of match funds at the time of contract award. CRP must verify understanding and ability to comply with the requirement that the CRP non-federal share equal to 21.3% of Establishment project costs, must be deposited into a designated state VR account at certain intervals throughout the contract term. The CRP must complete Attachment A, Cost Proposal which will detail the specific funding request for staffing and training costs.
3. CRP must provide a written narrative demonstrating the need to build staff capacity to improve the provision of employment services, including supported employment services, to VR consumers to work toward the objective of increasing the quality of services and competitive, integrated employment outcomes. Additionally, CRP must describe specific strategies for building staff capacity to meet the objectives outlined in the scope of work.
4. CRP must provide a written narrative demonstrating the need to develop or enhance training, including internal training, to employment services staff to effectively carry out employment services, including supported employment services, to VR consumers to work toward the objective of increasing the quality of services and competitive, integrated employment outcomes. Additionally, CRP must describe specific strategies for developing or enhancing training to meet the objectives outlined in the scope of work. Please refer to **Objective 1** for training expectations.
5. CRP must outline specific, effective strategies that will be implemented and carried out to achieve **Objectives 2, 3, and 4** as outlined in the Scope of Work. The response should also address strategies for measuring improvements in the quality of services and outcomes, in line with the measurable objectives (e.g. average wages, average hours worked, long-term job retention, etc.).
6. CRP must outline a sustainability plan to ensure adequate ongoing staff capacity and training once establishment funding has ended. Establishment project funding is available for a maximum period of four (4) years.

Company Financial Information:

Please submit Respondent's financial statement, including an income statement and

balance sheet, for each of the two most recently completed fiscal years. The financial statements must demonstrate the Respondent's financial stability. If the financial statements being provided by the Respondent are those of a parent or holding company, additional financial information should be provided for the entity/organization directly responding to this RFP.

The following attachments are included with this RFF, and must be incorporated into your response as applicable. All Respondents must complete **Attachment A** (Cost Proposal Response Template) and **Attachment B** (Respondent Information).

| Attachment | Description |
|--------------|---|
| Attachment A | Cost Proposal Response Template (RESPONSE REQUIRED) |
| Attachment B | Respondent Information (RESPONSE REQUIRED) |

V. RESPONSE SUBMISSION INSTRUCTIONS

Responses should be submitted via email to Kristina Blankenship at:
Kristina.Blankenship@fssa.in.gov

All responses must be received no later than **3:00 p.m. Eastern Time on October 24, 2016**. The subject line of the email submission must clearly state the following:

“RESPONSE TO REQUEST FOR FUNDING 2016-09”

Any information received after the due date and time will not be considered. Responses will be considered public information once a contract(s) is awarded. If a contract is not awarded, the responses are considered public once the decision is made.

No more than one proposal per Respondent may be submitted.

The State accepts no obligations for costs incurred by Respondents in anticipation of being awarded a contract.

Question/Inquiry Process: All questions/inquiries regarding this RFF must be submitted in writing by the deadline of **3:00 p.m. Eastern Time on September 30, 2016**. Questions/Inquiries may be submitted via email to Kristina.Blankenship@fssa.in.gov and must be received by BRS by the time and date indicated above.

BRS will compile responses and post responses on the BRS website <http://www.in.gov/fssa/ddrs/3920.htm>. Only answers posted on the BRS website will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employees.

Please note that Kristina Blankenship is the State's single point of contact for this RFF.

If it becomes necessary to revise any part of this RFF, or if additional information is necessary for a clearer interpretation of provisions of this RFF prior to the due date for submissions, an addendum will be posted on BRS' website.

Pricing: Pricing on this RFF must be firm and remain open for a period of not less than 180 days from the submission due date.

Please provide your pricing proposal by populating the Cost Proposal (**Attachment A**). **Submit Attachment A in Microsoft Excel format.**

Clarifications and Discussions: BRS reserves the right to request clarifications on information submitted to the State. BRS also reserves the right to conduct discussions, either oral or written, with Respondents. These discussions could include requests for additional information, requests for cost or technical proposal revision, etc. Additionally, in conducting discussions, BRS may use information derived from proposals submitted by competing Respondents only if the identity of the Respondent providing the information is not disclosed to others. Discussions, along with negotiations with Respondents may be conducted for any appropriate purpose.

Any information gathered through oral discussions must be confirmed in writing.

BRS may request best and final offers from those Respondents determined by BRS to be reasonably viable for contract award. However, BRS reserves the right to award a contract(s) on the basis of initial proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

Key Dates: The following timeline is only an illustration of this RFF process. The dates associated with each step are not to be considered binding. These dates are commonly subject to change.

Anticipated RFF Dates:

| Activity | Date |
|---|--------------------|
| Issue of RFF | September 14, 2016 |
| Deadline to Submit Written Questions (3pm Eastern Time) | September 30, 2016 |
| Final response to Written Questions/RFF Amendments | October 7, 2016 |
| Deadline to Submit RFF Response (3pm Eastern Time) | October 24, 2016 |
| <i>The dates for the following activities are target dates only. These activities may be completed earlier or later than the date shown.</i> | |
| Contract Award | December 2016 |

Confidential Information: Potential respondents are advised that materials contained in proposals are subject to the Indiana Public Records Act, IC 5-14-3 *et seq.*, and after the contract award may be viewed and/or copied by any member of the public, including news agencies and competitors. Potential respondents claiming a statutory exception to the Indiana Public Records Act must place all confidential documents in a sealed envelope clearly marked “Confidential” and must indicate on the outside of their proposal envelope that confidential materials are included and, in their cover letter, specify which statutory exception provision applies. The State reserves the right to make determinations of confidentiality. If the State does not agree that the information designated is confidential under one of the disclosure exceptions to the Public Records Act, it may either reject the proposal or discuss its interpretation of the allowable exceptions with the respondent. If agreement can be reached, the proposal will be considered. If agreement cannot be reached, the State will remove the proposal from consideration for award and return the proposal to the respondent upon request. The State will not determine price to be confidential information.

VI. EVALUATION CRITERIA

Proposals will be evaluated on a ‘pass/fail’ basis. Each of the six (6) items in Section IV. Response Format and Attachments will be evaluated individually. Respondents must receive a ‘pass’ for each and every item in order to receive an overall passing score. A passing score for each and every item is required for respondent to be awarded a contract for an Establishment project.